

Marty's
book

Annual Report

HOT STUFF

A Junior Achievement Company

Counseled by Rockwell International

1977-1978

to Marty
for seeing school
you at J.A. and
and J.A. and
hope to see you J.A.
again your friend
Jeff 

16
You're such
a sweet guy!
I hope you enjoy
yourself.

had our
picnic ⁱⁿ ~~in~~ ^{the} ~~the~~ ^{good} ~~good~~

That's the answer I have
made in my department, I
think you are R.O.P.'s finest
student and I know you'll
go far in the career of your
choice. Best of luck,

Best of
Good luck
party
Always
Helen
you candleless

ANNUAL REPORT
TO THE STOCKHOLDERS OF
HOT STUFF
A JUNIOR ACHIEVEMENT COMPANY
OF SOUTHERN CALIFORNIA

COUNSELED BY
ROCKWELL INTERNATIONAL

FOR THE PERIOD: OCTOBER 15, 1977 - MAY 1, 1978
ISSUED APRIL 10, 1978

SYCAMORE JUNIOR HIGH SCHOOL
1801 SYCAMORE STREET
ANAHEIM, CALIFORNIA

Marty! The field-
trip was nice, I'm
really glad I met you -
hovey
Sandy
Stringer

Dear Mark
Very fine
to a man. I really enjoyed
spending with you in S.A. Have a
wonderful summer.
Henry Thaddeus

118, Murly
my son is my
kunwari who
is now a
fisherman
Howe a good
boy



JA CHARTER

Issued To
HOT STUFF

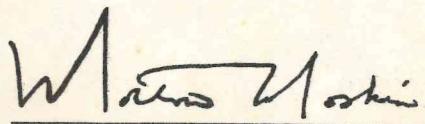
A Junior Achievement Company
Counseled By
ROCKWELL INTERNATIONAL

For The Period
September 1977 — June 1978

This charter recognizes the fulfillment
of requirements for the organization and operation
of a Junior Achievement Company
and qualifies the company and its members
for all authorized rights and privileges.

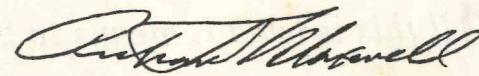
Charter Number

M 2432



William Moskin

Secretary



Richard Maxwell

President



MY CREED

I do not choose to be a common man. It is my right to be uncommon — if I can. I seek opportunity — not security. I do not wish to be a kept citizen, humbled and dulled by having the state look after me. I want to take the calculated risk; to dream and to build, to fail and to succeed. I refuse to barter incentive for a dole. I prefer the challenges of life to the guaranteed existence; the thrill of fulfillment to the stale calm of utopia.

I will not trade freedom for beneficence nor my dignity for a handout. I will never cower before any master nor bend to any threat. It is my heritage to stand erect, proud and unafraid; to think and act for myself, enjoy the benefit of my creations and to face the world boldly and say, this I have done.

All this is what it means to be an American.

Dean Alfange

FINANCIAL HIGHLIGHTS

<u>Net Sales</u>	\$1711.32
<u>Net Income</u>	376.86
<u>Net Income Per Share</u>	5.23
<u>Dividends Per Share</u>	0.75
<u>Working Capital</u>	160.00
<u>Total Assets</u>	448.86



TABLE OF CONTENTS

Letter to the Stockholders-----	1
Presidents Report-----	2
Community Project-----	3
Organization Chart-----	4
Personnel Report-----	5
Hot Stuff Members-----	6
Awards-----	7
Manufacturing Report-----	8
Value of Product-----	9
Purchasing and Quality Control Reports-----	10
Secretary Report-----	11
P.R.I.D.E. and Safety Director Reports-----	12
Sales Report-----	13
Sales Income Chart-----	14
Individual Sales-----	15
Treasurer Report-----	16
Management Report-----	17
Profit and Loss Statement-----	19
Liquidation Report-----	20
Profit Sharing-----	21
Advisors Reports-----	22
Annual Report Committee Report-----	24
Preparation and Cost of Annual Report-----	25
Junior Achievement Objectives-----	26

Junior Achievement
Hot Stuff Company
1801 Sycamore Street
Anaheim, California

Sponsored by:
Rockwell International

April 24, 1978

Dear Stockholders:

As of April 3, the Hot Stuff Company sponsored by Rockwell International has terminated operations and liquidated the company.

Enclosed you will find your check for the amount of \$1.75.
A dividend which amounts to 25 per cent of the par value of
your organized investment plus a liquidation dividend in the amount
of \$0.50.

Thank you for your support throughout the year. I know you
will be pleased with the success that Hot Stuff had this year.

Sincerely,

Lee L. McGurn
Hot Stuff President

President

Lee McGurn

As President of the company, Hot Stuff, I learned many things. I learned to be responsible in helping to organize a successful running company.

During our months from October to May, Hot Stuff had many activities. We sold our products at shopping centers, Rockwell International and many organized clubs. We also were invited by Rockwell to see what the sponsoring company does. We took a tour of the plant and saw the products and space project.

Our company's name coordinated with our product. Hot Stuff made hot plates. Since the plates were selling so well, we decided to make napkin holders to match as our second product. The set proved to be quite a popular item.

Hot Stuff's seventy-six stockholders and Rockwell International should feel a part of our successful year.

In closing, I would like to thank Mr. & Mrs. McKechnie, Mr. Wright, Mrs. Gudvangen and Barbara Card for all their encouragement and guidance. A very special thanks goes to Rockwell International for giving us the opportunity to learn and participate in the free enterprising system.

Sincerely,

Lee McGurn
President

The Activity Director, Beth Wheeler, and the residents of Casa Bonita, Fullerton (a retirement home), were delighted to receive a gift of 15 trivets from HOT STUFF, a Rockwell International Junior Achievement Company.

The trivets were unsold at the end of the sales campaign and it was suggested that a gift to some worthy cause would be appropriate. President Lee McGurn heartily concurred and the trivets were delivered on April 6, 1978.

Ms. Wheeler said the residents are avid Bingo players and the trivets could be used as prizes, or donated to a bazaar being held soon at Casa Bonita to raise money for a badly needed record player.

April 6, 1978

Ms. Lee McGurn, President
HOT STUFF, a Junior Achievement Company
1544 Santa Ana Canyon
Orange, California 92665

Dear Ms. McGurn:

The residents of Casa Bonita, Fullerton, and I truly appreciate the gift of trivets you so generously donated to us today. The general public so often remember the hospitals, social service centers, and people in "crisis" situations but forget that the residents of retirement homes such as ours also enjoy a little attention from time to time!

Thank you and your Rockwell International advisers, and please feel free to visit us again whenever possible.

Sincerely,

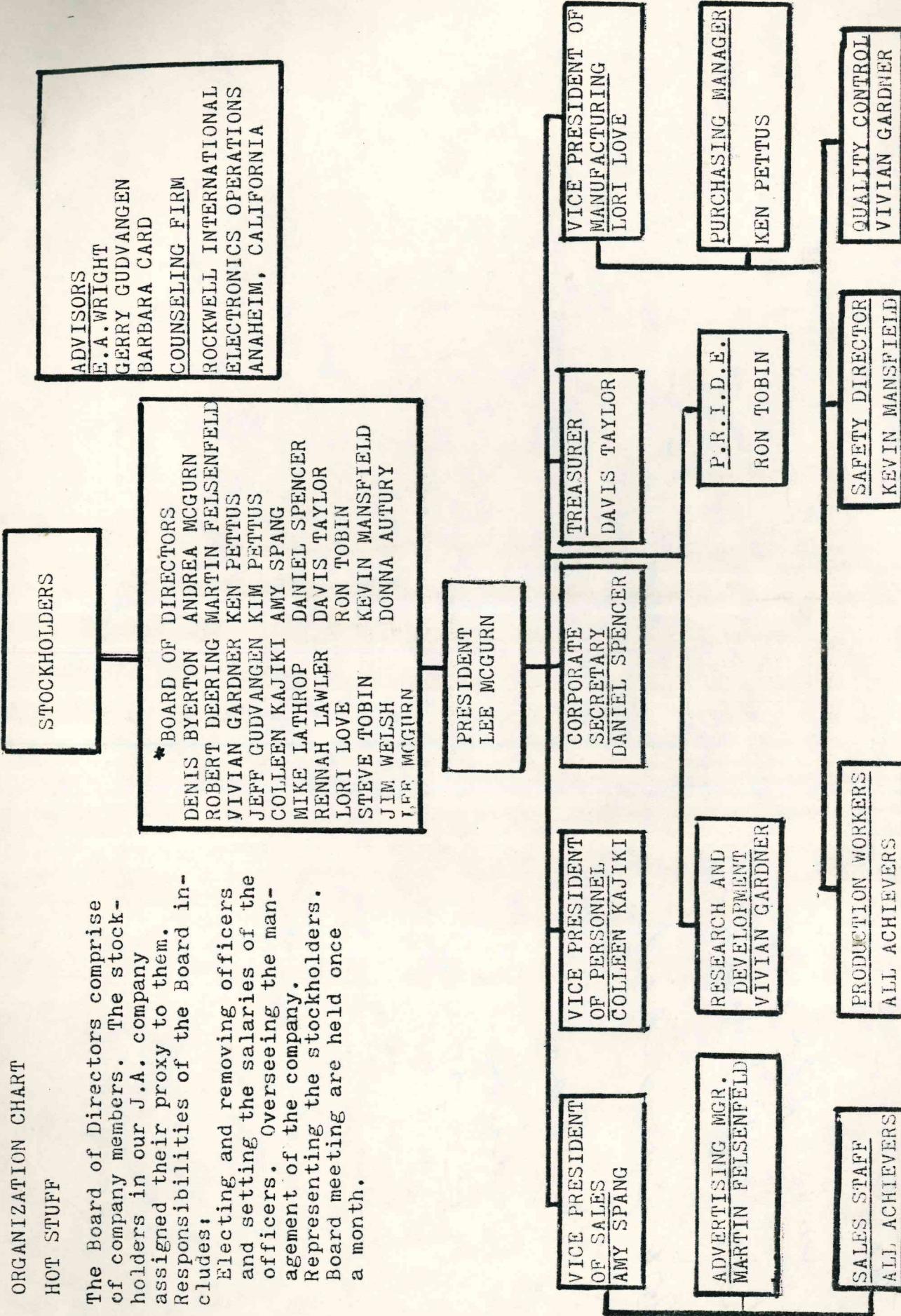
Beth Wheeler

Beth Wheeler
Activity Director
CASA BONITA, Fullerton

ORGANIZATION CHART

HOT STUFF

* The Board of Directors comprise of company members. The stockholders in our J.A. company assigned their proxy to them. Responsibilities of the Board includes: Electing and removing officers and setting the salaries of the officers. Overseeing the management of the company. Representing the stockholders. Board meetings are held once a month.



ADVISORS
E. A. WRIGHT
GERRY GUDVANGEN
BARBARA CARD
COUNSELING FIRM

ROCKWELL INTERNATIONAL
ELECTRONICS OPERATIONS
ANAHEIM, CALIFORNIA

* **BOARD OF DIRECTORS**
DENIS BYERTON ANDREA MCGURN
ROBERT DEERING MARTIN FELSENFIELD
VIVIAN GARDNER KEN PETTUS
JEFF GUDVANGEN KIM PETTUS
COLLEEN KAJIKI AMY SPANG
MIKE LATHROP DANIEL SPENCER
RENNAH LAWLER DAVIS TAYLOR
LORI LOVE RON TOBIN
STEVE TOBIN KEVIN MANSFIELD
JIM WELSH DONNA AUTURY
LEE MCGURN

PRESIDENT
LEE MCGURN

CORPORATE SECRETARY
DANIEL SPENCER

VICE PRESIDENT OF MANUFACTURING
LORI LOVE

P.R.I.D.E.
RON TOBIN

PURCHASING MANAGER
KEN PETTUS

SAFETY DIRECTOR
KEVIN MANSFIELD

QUALITY CONTROL
VIVIAN GARDNER

VICE PRESIDENT OF PERSONNEL
COLLEEN KAJIKI

ADVERTISING MGR.
MARTIN FELSENFIELD

SALES STAFF
ALL ACHIEVERS

Marty —
you're the
best "PR" man
Bob ever had!

Take care
Sharon
5-5-78

Personnel

Colleen Kajiki

Our first meeting was on October 15, 1977, but our records started November 7, 1977. On that night we elected our officers and decided on our company name. Our company began with 24 members. After one month, we had 19 members. We have had 6 new members join and 9 members dropped, bringing our total to 21 company members.

Each member was paid 25¢ an hour plus 10% commissions. Salaries were \$2.50 for personnel, \$3.00 for sales, manufacturing and corporate secretary, \$3.50 for treasurer and \$5.00 for president. We had made enough money by February to raise wages to 50¢ an hour and increase salaries considerably. Commissions went to 15% if a members sales totaled \$100.00 and 20% if \$200.00 or more. The entire company worked very hard to raise their sales.

Our attendance percentage was 90%. Perfect attendance awards were given to Davis Taylor, Daniel Spencer, Kenneth Pettus, Lori Love, Robert Deering, Rennah Lawler, Donna Autrey, Kim Pettus and Andrea McGurn.

A special thanks to all our adivsers for their patience and guidance.



HOT STUFF MEMBERS

Donna Autrey	Vista High	Hot Stuffer
Denis Bryerton	Troy High	Hot Stuffer
Robert Deering	Dale High	Hot Stuffer
Martin Felsenfeld	Loara High	Hot Stuffer
Vivian Gardner	Canyon High	Quality Control
Jeff Gudvangen	Loara High	Hot Stuffer
Colleen Kajiki	Canyon High	Personnel
Mike Lathrop	Orange High	Hot Stuffer
Rennah Lawler	Vista High	Hot Stuffer
Lori Love	El Dorado High	Manufacturing
Kevin Mansfield	Brea High	Safety
<u>Andrea McGurn</u>	Canyon High	Hot Stuffer
Lee McGurn	Canyon High	President
Kenneth Pettus	Brea High	Purchasing
Kim Pettus	Brea High	Annual Report
Amy Spang	Canyon High	Marketing
Daniel Spencer	El Dorado High	Secretary
Davis Taylor	Canyon High	Treasurer
Ron Tobin	Canyon High	Hot Stuffer
Steve Tobin	Peralta High	Hot Stuffer
Jim Welsh	Canyon High	Hot Stuffer

AWARDS

ACHIEVER OF THE MONTH

December	Vivian Gardner
January	Martin Felsenfeld
February	Kenneth Pettus
March	Davis Taylor
April	Colleen Kajiki

100% ATTENDANCE AWARD --- JANUARY 30 THRU MARCH 30

Jeff Gudvangen	Daniel Spencer
Mike Lathrop	Davis Taylor
Lori Love	Ron Tobin
Kenneth Pettus	Jim Welsh
Kim Pettus	

PERFECT ATTENDANCE

Lori Love	Kenneth Pettus
Daniel Spencer	Davis Taylor

ACHIEVER AWARD

Denis Bryerton	Devin Mansfield
Amy Spang	Colleen Kajiki
Kenneth Pettus	Daniel Spencer
Martin Felsenfeld	Davis Taylor
Mike Lathrop	Vivian Gardner
Lori Love	

SEMI FINALIST FOR OFFICER OF THE YEAR AWARDS

Kenneth Pettus	Vivian Gardner
Daniel Spencer	Davis Taylor

FIVE TOP SALES

1. Kenneth Pettus	\$249.78
2. Martin Felsenfeld	229.61
3. Kevin Mansfield	191.00
4. Davis Taylor	161.48
5. Vivian Gardner	155.22

Manufacturing

Lori Love

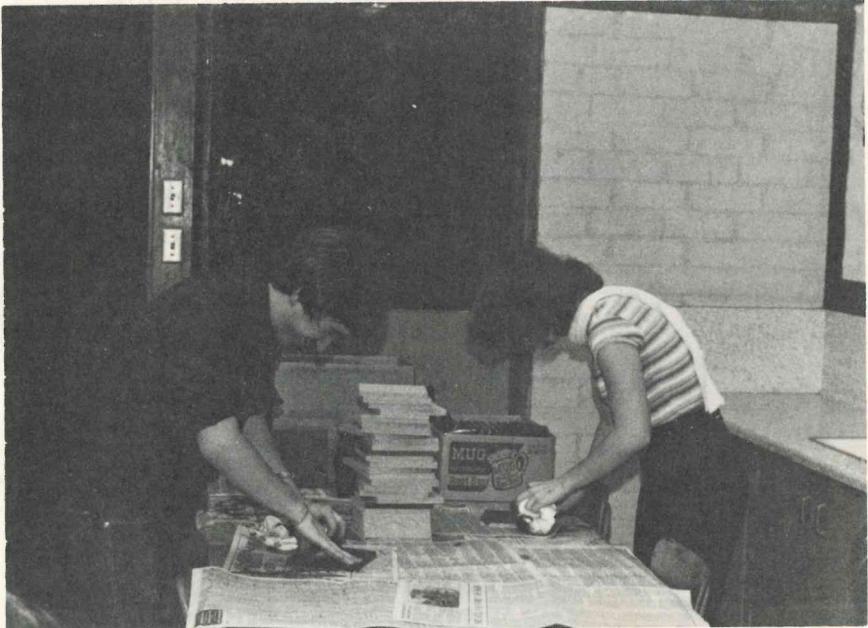
My job as Vice President of Manufacturing was to assure that the products were made correctly, the raw materials were bought at good rates and the overall manufacturing of the products.

We produced 814 trivets and 27 napkin holders. We had a very successful year and I am glad I had the opportunity to be part of the company, Hot Stuff.

Love to you
always
Jerry Huldy

To Marty
Good Luck
Marcia
Stacy

Marty, you're one of
the nicest people
I know. Keep in
touch with me,
Arlene



Marty:
Best of Luck to you.
Martha Fangle

VALUE OF PRODUCTS

TRIVET

Material

Tile	.28¢
Board	.11
Stain	.10
Mastick	.04
Misc.	.07
 Labor	 .35
Total	.95¢

NAPKIN HOLDER

Material

Tile	.56¢
Board	.22
Stain	.10
Mastick	.08
Misc.	.11
 Labor	 .38
Total	\$1.44

1. Wood is cut beforehand.
2. Staining of the wood.
- 2a. Drill the holes in the center wood and attach to side wood.

This procedure applies to the napkin holders only.

3. Quality Control checks the stain job.
4. Checking tiles for cracks or chips
5. Mastick put on and felt pads are applied.
6. Quality Control checks finished product then passes them on to Vice President of Manufacturing who in turn gives them to sales.

Purchasing

Kenneth Pettus

In the year that I have been in Junior Achievement, our company has bought a total of \$633.89 in raw materials. In this amount \$443.39 was spent for tiles, \$110.18 for wood, \$43.33 for felt, and #36.99 for stain.

During this year I have helped with vice president of sales, vice president of manufacturing, production manager and quality control. In doing this I have learned many things. I feel that I have done very well.

I want to express my thanks to all responsible for making this year possible and I was proud to serve in our company, Hot Stuff.

Quality Control Manager

Vivian Gardner

Being Quality Control Manager this year has been easy. We had a few problems at the beginning of the year, but we overcame them with hard work. We devised methods of making our work easier. We made a rack, which was used to hold the freshly stained wood so it would dry faster. Rejected products added up to about 3% of the total output. The biggest problem was the application of the mastick. It dried too fast thus the tile would set crooked. To avoid this we had to handle the trivets a little more carefully. In conclusion, I would like to thank the members of Hot Stuff for all their efforts in helping me to be successful in my job.

Marty,
I've really
enjoyed working
with you too bad
You won't be
around in JA
next year it's
was, fun, exciting,
exasperating,
a blast etc.
Good Luck!
Love Vivian

Secretary

Daniel Spencer

I accepted the office of secretary with its many responsibilities with great enthusiasm. My duties included taking minutes at Board Meetings, keeping custody of the lease and charter. I kept an accurate record of stockholders, and acted as parliamentarian at board meetings. The majority of my work came at the end of the year when I had to see that the Annual Report was published and sent to the stockholders.

I had the honor of becoming Corporate Secretary of Hot Stuff after our original secretary took and extended leave of absence.

Our company, Hot Stuff, had a very prosperous year. Sales were very good, production was high and attendance was good. For me, and many others in the company, Junior Achievement has been an experience which will help us in many years to come after we have chosen our careers. I would like to thank our shareholders who supported our efforts, and I would also like to extend my gratitude to our advisers who volunteered their leisure time in order to turn our efforts into achievements.

Marty!
I have nothing
else to say. Wait a minute!
maybe I do. When you're
out of school, don't take
too many girls in your dorm
to discuss (he Ethiopian Stock
Exchange with. Good luck!
Daniel.

P.R.I.D.E. Director

Ron Tobin

P.R.I.D.E. Personal Responsibility in Daily Effort, that's what the members of our company showed. My chief function was to implement our company's P.R.I.D.E. program and to check on its progress. On the whole, I feel that our program was very successful.

Under the excellent leadership of our officers, who were supported by members tried to make certain that the assembly line was not boring. This was accomplished by varying the jobs. The officers participated on the assembly line whenever possible. I feel this type of leadership led to excellent communications between the officers and the members.

The success of the P.R.I.D.E. program reflected the total efforts of all the achievers and advisors in our company.

Safety Director

Kevin Mansfield

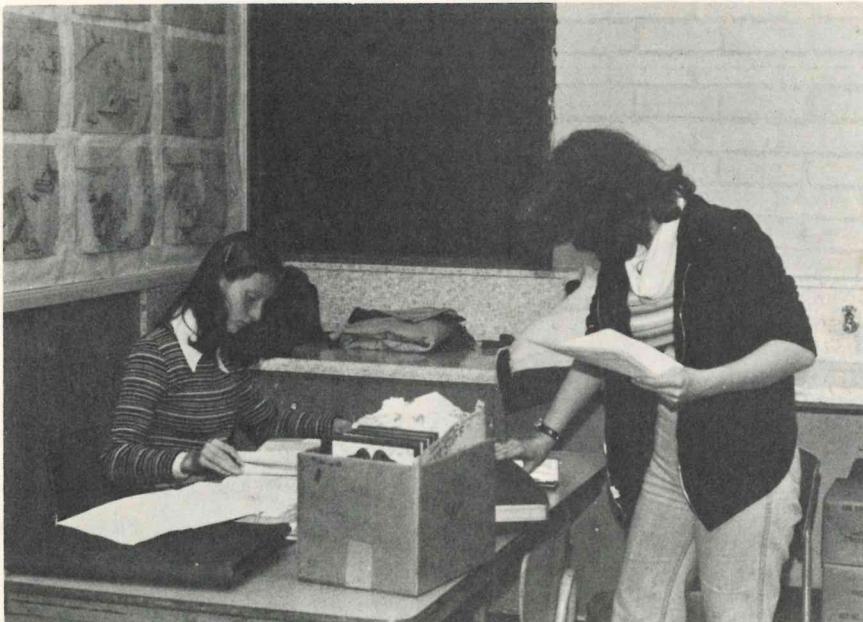
My job as Safety Director involves me with the entire company. I was appointed by the officers to ensure the safety of all members by repairing all tools, watching the use of machines and to supervise the work done in the shop.

Thank you to all the achievers and officers for helping me in my job. I enjoyed Junior Achievement a lot and the experience that it gave me and my fellow achievers.

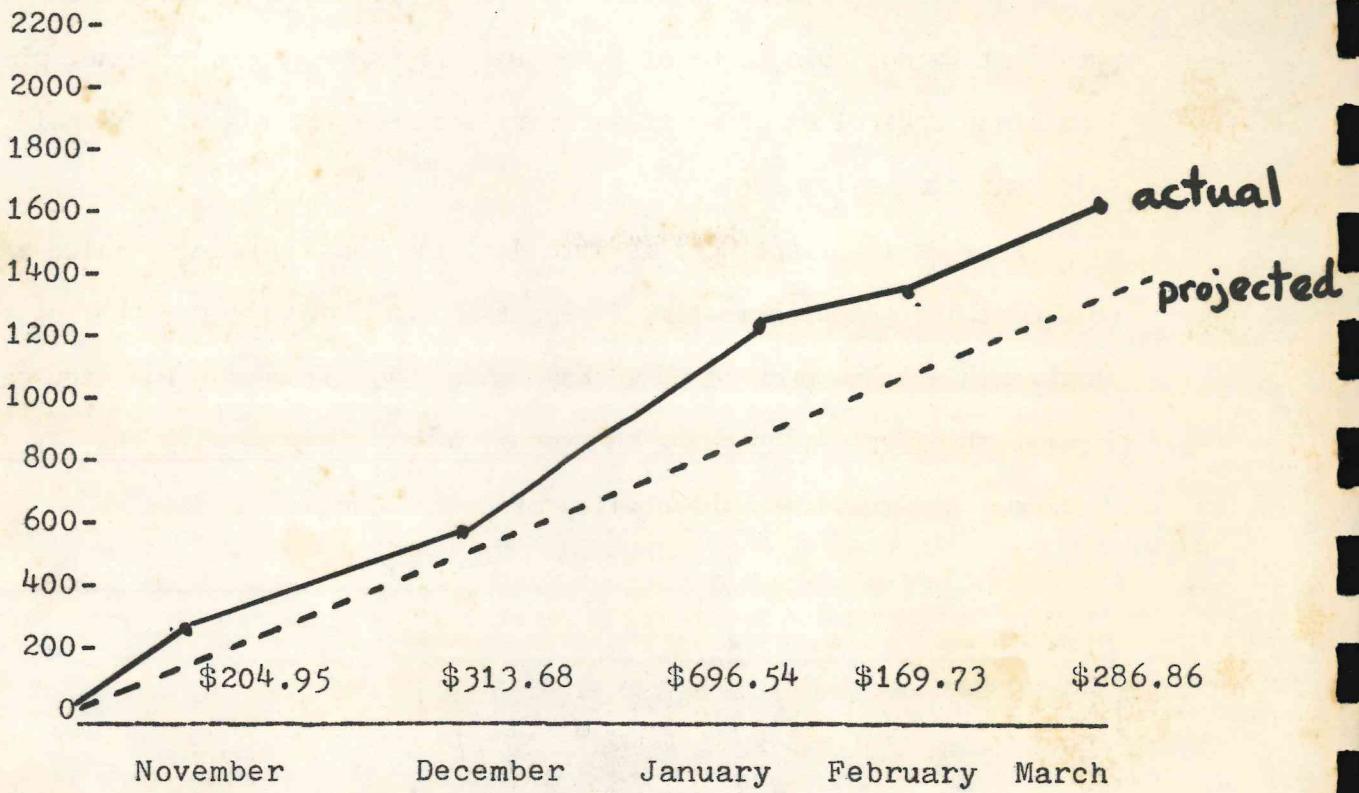
Our main product is the trivet or as many people call it the hot plate. We also sell napkin holders which match the trivets. Because of this we can sell both products as a set. The cost of the hot plate is \$2.50, the napkin holder sells for \$3.00 and the set, which consists of 2 trivets and 1 napkin holder sells for \$6.00.

The Vice President of Sales is a very important job. When the president is not able to be at a meeting, it is my job to take her place. I maintain control of product inventory and keep records of personal sales and commissions.

Another important duty is attending the board meetings, which are held monthly. At each meeting I report who has sold the most hot plates that month and how much money we have made. I tell people how they can improve their sales, by being courteous, never disagree with the customers and to stress the quality of our products.



SALES INCOME CHART



SALES

21	Autrey, Donna	(9G)	----
13	Bryerton, Denis	(8B)	\$ 29.25
15	Deering, Robert	(10B)	18.59
2	Felsenfeld, Martin	(2B)	229.61
5	Gardner, Vivian	(1G)	155.10
17	Gudvangen, Jeff	(11B)	14.47
6	Kajiki, Colleen	(2G)	105.63
8	Lathrop, Mike	(6B)	85.30
18	Lawler, Rennah	(7G)	9.59
9	Love, Lori	(3G)	40.10
3	Mansfield, Kevin	(3B)	191.04
20	McGurn, Andrea	(8G)	3.30
16	McGurn, Lee	(6G)	18.33
1	Pettus, Kenneth	(1B)	249.78
12	Pettus, Kimberly	(5G)	29.57
11	Spang, Amy	(4G)	32.02
7	Spencer, Daniel	(5B)	93.42
4	Taylor, Davis	(4B)	161.25
10	Tobin, Ron	(7B)	32.62
19	Tobin, Steve	(12B)	7.24
14	Welsh, Jim	(9B)	23.03

Totals

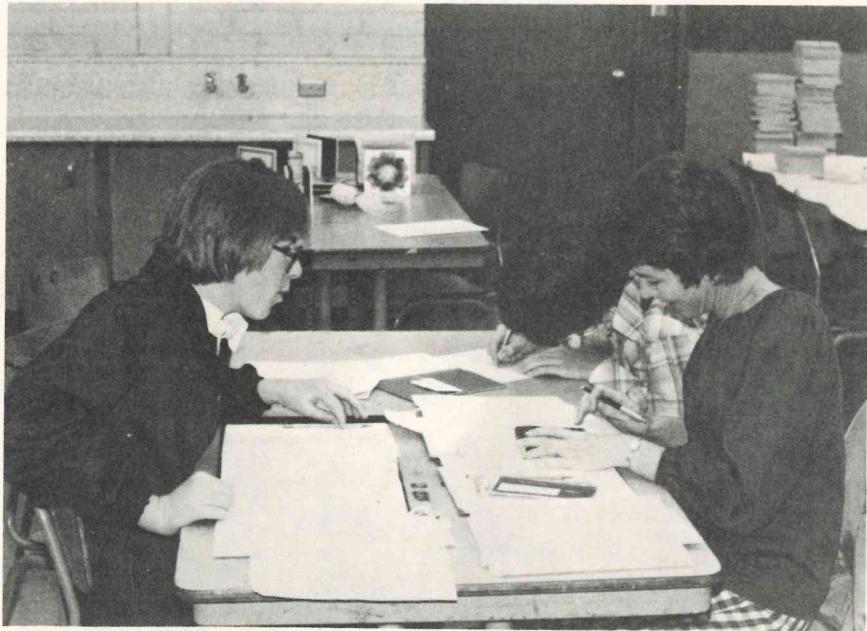
1529.24

Treasurer

R. Davis Taylor

A Junior Achievement Treasurer's job is one filled with great difficulty and a lot of pressure. He must balance the accounting books and fill out management reports on time each month. A Junior Achievement Treasurer has to have a considerable amount of personal responsibility. If he misses just one meeting the whole company could be set back. This is why I think that being a Junior Achievement Treasurer is the most rewarding and challenging job in the company.

Our company, Hot Stuff, has been very successful this year although we started off on the wrong foot. So we made an extra effort and we have been in the top twenty companies of Southern California since January. We have \$1337.46 in costs. Our main products, trivets, cost \$2.36 plus .14¢ sales tax, and our latest product, napkin holders sold for \$3.00. I would like to thank all the advisors for their guidance.



MANAGEMENT REPORT

This report should be updated by the first meeting of following month. Turn in one copy to the JA office each month.
 The office will check the report and return it.
 Except where noted, the entries below are taken from the general record (form 1). Enter cumulative figures (that is, year-to-date totals).

COMPANY HOT STUFF
 CENTER SYCAMORE
 NIGHT MOON ROOM —

(Numbers in parentheses refer to columns on the General Record)

PROFIT AND LOSS STATEMENT	OCTOBER NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	FINAL
1. SALES (8)	904.95	518.63	1215.17	1384.84	1671.70	1711.32	1711.32
2. MATERIAL PURCHASED (10)	228.07	404.95	412.14	412.14	499.75	499.75	499.75
3. *MATERIAL INVENTORY	63.24	134.24	70.18	28.43	—	—	—
4. MATERIAL USED	164.83	270.71	341.96	431.36	499.75	499.75	499.75
5. SHOP SUPPLY (11)	—	—	—	—	—	—	—
6. LABOR (WAGES) (12)	44.50	72.00	72.00	88.50	180.00	236.00	236.00
7. COST OF GOODS PRODUCED	809.33	342.71	413.96	520.86	679.75	735.75	735.75
8. **FINISHED GOODS INVENTORY	153.26	224.53	99.78	102.99	33.39	—	—
9. COST OF GOODS SOLD	56.07	118.18	314.18	417.87	646.36	735.75	735.75
10. GROSS PROFIT Line 1 above minus line 9	148.88	406.45	900.99	966.97	1025.34	975.57	975.57
11. SALARIES (13)	22.00	37.00	37.00	55.50	138.50	187.00	187.00
12. COMMISSIONS (14)	20.50	51.91	51.91	135.98	203.71	208.26	208.26
13. RENT (15)	8.00	13.00	18.00	24.50	29.50	34.50	34.50
14. OFFICE SUPPLY (16)	—	—	35.00	35.00	35.00	35.00	35.00
15. OUTSIDE SERVICES (17)	—	—	—	8.00	8.00	8.00	8.00
16. OTHER EXPENSES (18, 19, 20)	15.25	17.75	17.75	22.81	61.45	128.95	128.95
17. TOTAL OVERHEAD EXPENSES	65.77	119.66	159.66	281.79	476.16	601.71	601.71
18. OPERATING PROFIT Line 10 above minus line 17	83.11	280.79	741.33	685.18	549.18	373.86	373.86
19. OTHER INCOME (9)	—	—	—	—	—	3.00	3.00
20. NET PROFIT (LOSS) BEFORE TAX	83.11	280.79	741.33	685.18	549.18	376.86	376.86
21. ALLOWANCE FOR PROFITS TAX (See Table on reverse side of this form)	26.34	122.78	343.84	316.89	257.11	174.39	174.39
22. NET PROFIT (LOSS) AFTER TAX	56.77	158.01	397.49	368.89	292.07	202.47	202.47

BALANCE SHEET

ASSETS:

23. CASH (1-2)	5	183.78	94.40	760.09	753.31	655.97	448.86	448.86
24. ACCOUNTS RECEIVABLE (3)	+	—	—	—	—	—	—	—
25. *MATERIAL INVENTORY Same as Line 3 above	+	63.24	134.24	70.18	28.43	—	—	—
26. **FINISHED GOODS INVENTORY Same as Line 8 above	+	153.26	224.53	99.78	102.99	33.39	—	—
27. OTHER (4)	+	—	—	—	—	—	—	—
28. TOTAL†	=	400.28	453.17	930.05	884.73	689.36	—	—

LIABILITIES AND CAPITAL:

29. ACCOUNTS PAYABLE (5)	5	244.68	81.01	81.01	81.01	—	—	—
30. RESERVE FOR SALES TAX (7)	+	12.55	31.37	94.71	55.54	69.18	—	—
31. ALLOWANCE FOR PROFITS TAX Same as Line 21 above	+	26.34	122.78	343.84	316.89	257.11	174.39	174.39

Stockholder's Equity:

32. CAPITAL STOCK (6)	+	60.00	60.00	63.00	63.00	71.00	72.00	72.00
33. NET PROFIT (LOSS) AFTER TAX Same as Line 22 above	+	56.77	158.01	397.49	368.89	292.07	202.47	202.47
34. TOTAL†	=	400	453.17	930.05	884.73	689.36	448.86	448.86

PRODUCTION AND SALES REPORT
(Figures taken from Sales Record Form 30).

PRODUCT(S)			
A. Products turned over to Sales Department to date.	NOV.	336	
	DEC.	667	
	JAN.	697	
	FEB.	794	
	MAR.	794	29
	APR.	794	29
B. Products Sold to date.	NOV.	87	
	DEC.	220	
	JAN.	519	
	FEB.	592	
	MAR.	702	21
	APR.	719	29
C. Retail Price			
D. Number of Products in Finished Goods Inventory.	NOV.	246	
	DEC.	437	
	JAN.	168	
	FEB.	157	
	MAR.	31	8
	APR.	0	0
E. Value of Finished Goods Inventory	NOV.	153.26	
	DEC.	224.53	
	JAN.	99.78	
	FEB.	102.99	
	MAR.	33.39	
	APR.	0	
FORMULA 1 To arrive at approximation, multiply 1/2 the retail price by number of products in inventory. If, By This Method The value Exceeds the "Costs of Goods Produced" (Line 7 on Front) Then you must use Formula 2 Instead.			
FORMULA 2 Exact figure may be determined as follows if you only have one product: $\text{Cost of Goods Produced (Line 7 on front)} \times \text{No. of Products in Finished Goods Inventory ("D" above)} = \text{Value of Goods Inventory}$			
As a result of high start up costs, the computed value of finished inventory may exceed the retail value during the first several months. If this occurs, use FORMULA 1.			
LIQUIDATION REPORT (TO BE COMPLETED AT YEAR END)			
F. Capitalization (\$1.00 Per Share Par Value x ___ shares) \$ _____			
G. Net Profit (Loss) After Taxes _____			
H. Total Available for Distribution \$ _____			
J. Stockholder Distribution (\$ ___ per share x ___ shares) \$ _____			
\$ ___ per share as Return of Original \$1.00 investment. \$ ___ per share as Regular Dividend. \$ ___ per share as Liquidating Dividend. This amount would ordinarily be retained in the company if it continued operation.			
K. Employee Bonuses _____			
L. Contributions _____			
M. Other _____			
N. Total Distribution \$ _____			

JA PROFITS TAX TABLE

The JA Profits "Tax" is based on 22% of net profit plus a surtax of 26% of profit exceeding \$25.00. (The only difference between the JA profits tax and Federal Income Tax is that the federal 26% surtax is applied to profit exceeding \$25,000.00).

All profits tax payments by JA companies go into a special fund for activities that benefit the taxpayers (Awards, Travelships, etc.)

The tax is paid at the end of the year. Make check payable to Junior Achievement. Compute Tax as follows:

P. Net Profit \$ _____
 Q. Contributions Exceeding 5% of Net Profit + _____
 R. Year-end bonus exceeding 10% of total wages, salaries, and commissions paid thru Feb. 28 + _____
 S. Total Amount Taxable \$ = _____

Find tax due on this amount from table below.

\$ 1 - \$.22	\$ 51 - \$17.98	\$101 - \$41.98	\$151 - \$65.98
\$ 2 - \$.44	\$ 52 - \$18.46	\$102 - \$42.46	\$152 - \$66.46
\$ 3 - \$.66	\$ 53 - \$18.94	\$103 - \$42.94	\$153 - \$66.94
\$ 4 - \$.88	\$ 54 - \$19.42	\$104 - \$43.42	\$154 - \$67.42
\$ 5 - \$ 1.10	\$ 55 - \$19.90	\$105 - \$43.90	\$155 - \$67.90
\$ 6 - \$ 1.32	\$ 56 - \$20.38	\$106 - \$44.38	\$156 - \$68.38
\$ 7 - \$ 1.54	\$ 57 - \$20.86	\$107 - \$44.86	\$157 - \$68.86
\$ 8 - \$ 1.76	\$ 58 - \$21.34	\$108 - \$45.34	\$158 - \$69.34
\$ 9 - \$ 1.98	\$ 59 - \$21.82	\$109 - \$45.82	\$159 - \$69.82
\$10 - \$ 2.20	\$ 60 - \$22.30	\$110 - \$46.30	\$160 - \$70.30
\$11 - \$ 2.42	\$ 61 - \$22.78	\$111 - \$46.78	\$161 - \$70.78
\$12 - \$ 2.64	\$ 62 - \$23.26	\$112 - \$47.26	\$162 - \$71.26
\$13 - \$ 2.86	\$ 63 - \$23.74	\$113 - \$47.74	\$163 - \$71.74
\$14 - \$ 3.08	\$ 64 - \$24.22	\$114 - \$48.22	\$164 - \$72.22
\$15 - \$ 3.30	\$ 65 - \$24.70	\$115 - \$48.70	\$165 - \$72.70
\$16 - \$ 3.52	\$ 66 - \$25.18	\$116 - \$49.18	\$166 - \$73.18
\$17 - \$ 3.74	\$ 67 - \$25.66	\$117 - \$49.66	\$167 - \$73.66
\$18 - \$ 3.96	\$ 68 - \$26.14	\$118 - \$50.14	\$168 - \$74.14
\$19 - \$ 4.18	\$ 69 - \$26.62	\$119 - \$50.62	\$169 - \$74.62
\$20 - \$ 4.40	\$ 70 - \$27.10	\$120 - \$51.10	\$170 - \$75.10
\$21 - \$ 4.62	\$ 71 - \$27.58	\$121 - \$51.58	\$171 - \$75.58
\$22 - \$ 4.84	\$ 72 - \$28.06	\$122 - \$52.06	\$172 - \$76.06
\$23 - \$ 5.06	\$ 73 - \$28.54	\$123 - \$52.54	\$173 - \$76.54
\$24 - \$ 5.28	\$ 74 - \$29.02	\$124 - \$53.02	\$174 - \$77.02
\$25 - \$ 5.50	\$ 75 - \$29.50	\$125 - \$53.50	\$175 - \$77.50
\$26 - \$ 5.98	\$ 76 - \$29.98	\$126 - \$53.98	\$176 - \$77.98
\$27 - \$ 6.46	\$ 77 - \$30.46	\$127 - \$54.46	\$177 - \$78.46
\$28 - \$ 6.94	\$ 78 - \$30.94	\$128 - \$54.94	\$178 - \$78.94
\$29 - \$ 7.42	\$ 79 - \$31.42	\$129 - \$55.42	\$179 - \$79.42
\$30 - \$ 7.90	\$ 80 - \$31.90	\$130 - \$55.90	\$180 - \$79.90
\$31 - \$ 8.38	\$ 81 - \$32.38	\$131 - \$56.38	\$181 - \$80.38
\$32 - \$ 8.86	\$ 82 - \$32.86	\$132 - \$56.86	\$182 - \$80.86
\$33 - \$ 9.34	\$ 83 - \$33.34	\$133 - \$57.34	\$183 - \$81.34
\$34 - \$ 9.82	\$ 84 - \$33.82	\$134 - \$57.82	\$184 - \$81.82
\$35 - \$ 10.30	\$ 85 - \$34.30	\$135 - \$58.30	\$185 - \$82.30
\$36 - \$ 10.78	\$ 86 - \$34.78	\$136 - \$58.78	\$186 - \$82.78
\$37 - \$ 11.26	\$ 87 - \$35.26	\$137 - \$59.26	\$187 - \$83.26
\$38 - \$ 11.74	\$ 88 - \$35.74	\$138 - \$59.74	\$188 - \$83.74
\$39 - \$ 12.22	\$ 89 - \$36.22	\$139 - \$60.22	\$189 - \$84.22
\$40 - \$ 12.70	\$ 90 - \$36.70	\$140 - \$60.70	\$190 - \$84.70
\$41 - \$ 13.18	\$ 91 - \$37.18	\$141 - \$61.18	\$191 - \$85.18
\$42 - \$ 13.66	\$ 92 - \$37.66	\$142 - \$61.66	\$192 - \$85.66
\$43 - \$ 14.14	\$ 93 - \$38.14	\$143 - \$62.14	\$193 - \$86.14
\$44 - \$ 14.62	\$ 94 - \$38.62	\$144 - \$62.62	\$194 - \$86.62
\$45 - \$ 15.10	\$ 95 - \$39.10	\$145 - \$63.10	\$195 - \$87.10
\$46 - \$ 15.58	\$ 96 - \$39.58	\$146 - \$63.58	\$196 - \$87.58
\$47 - \$ 16.06	\$ 97 - \$40.06	\$147 - \$64.06	\$197 - \$88.06
\$48 - \$ 16.54	\$ 98 - \$40.54	\$148 - \$64.54	\$198 - \$88.54
\$49 - \$ 17.02	\$ 99 - \$41.02	\$149 - \$65.02	\$199 - \$89.02
\$50 - \$ 17.50	\$100 - \$41.50	\$150 - \$65.50	\$200 - \$89.50

Over \$200 - \$89.50 plus 48% of amount over \$200.

STOCK VALUE

Par value of one share \$1.00

Divide "Net Profit (Loss) After Tax" by Number of Shares Sold

$$\text{Profit (Loss)} + \text{Shares Sold} = \text{Profit (Loss) Per Share}$$

Add to par value the profit per share (subtract if loss per share) to obtain book value. Enter below.

NOV.	DEC.	JAN.	FEB.	MARCH	APRIL
\$ 1.93	\$ 3.63	\$ 7.30	\$ 6.84	\$ 5.11	\$ 1.75

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDING APRIL 1978

NAME OF COMPANY		<u>Hot Stuff</u>
SALES	<u>\$1711.32</u>	BALANCE SHEET AS OF <u>April 24, 1978</u>
COST OF GOODS SOLD:		ASSETS:
Material	<u>\$499.75</u>	Cash <u>\$448.86</u>
Shop Supply	<u> </u>	Accounts Receivable <u>-0-</u>
Labor	<u>236.00</u>	Total Assets <u>\$448.86</u>
COST OF GOODS SOLD: <u>735.75</u>		LIABILITIES
GROSS PROFIT	<u>975.57</u>	Accounts Payable <u>\$ -0-</u>
OVERHEAD EXPENSES:		Allowance for Profits Tax <u>174.39</u>
Salaries	<u>187.00</u>	STOCKHOLDERS EQUITY:
Commissions	<u>208.26</u>	Capital Stock <u>72.00</u>
Rent	<u>34.50</u>	Net Profit after Taxes <u>202.47</u>
Office Supply	<u>35.00</u>	Total Liabilities & Capital <u>\$448.86</u>
Annual Report	<u>78.90</u>	LIQUIDATION REPORT
Other Expenses	<u>58.05</u>	CAPITALIZATION <u>\$ 72.00</u>
Total Overhead Expenses	<u>601.71</u>	NET PROFIT <u>202.47</u>
OPERATING PROFIT	<u>373.86</u>	TOTAL AVAILABLE FOR DISTRIBUTION <u>\$274.47</u>
Other Income	<u>3.00</u>	STOCKHOLDER DISTRIBUTION <u>126.00</u>
NET PROFIT BEFORE TAXES	<u>376.86</u>	(\$1.75 PER SHARE X 72 SHARES <u>126.00</u>)
Provision for JA Profits Tax	<u>174.39</u>	(\$1.00 per share as Return of original \$1.00 Investment
NET PROFIT AFTER TAXES	<u>202.47</u>	\$0.25 per share as Regular Dividend

EMPLOYEE BONUSES	<u>\$109.90</u>
CONTRIBUTIONS	<u>38.57</u>
OTHER	<u>-0-</u>
TOTAL DISTRIBUTION <u>\$274.47</u>	

LIQUIDATION REPORT

CAPITALIZATION

NET PROFIT AFTER TAXES

TOTAL AVAILABLE FOR DISTRIBUTION

STOCKHOLDER DISTRIBUTION

\$126.00

\$ 1.75 per share x 71 shares

\$ 1.00 per share as original \$1.00
investment

\$ 0.25 per share as regular dividend

\$ 0.50 per share as liquidating dividend

EMPLOYEE BONUSES

\$109.90

CONTRIBUTIONS

\$ 38.56

TOTAL DISTRIBUTION

\$274.74

PROFIT SHARING

<u>NAME</u>	<u>NUMBER OF MEETINGS ATTENDED</u>	<u>\$\$AMOUNT</u>
Bryerton, Denis	13	4.55
Deering, Robert	8	2.80
Felsenfeld, Martin	19	6.65
Gardner, Vivian	18	6.30
Gudvangen, Jeff	20	7.00
Kajiki, Colleen	18	6.30
Lathrop, Mike	20	7.00
Lawler, Rennah	4	1.40
Love, Lori	21	7.35
Mansfield, Kevin	19	6.65
McGurn, Andrea	3	1.05
McGurn, Lee	20	7.00
Pettus, Kenneth	21	7.35
Pettus, Kimberly	12	4.20
Spang, Amy	16	5.60
Spencer, Daniel	21	7.35
Taylor, Davis	21	7.35
Tobin, Ron	19	6.65
Tobin, Steve	2	.70
Welsh, Jim	19	6.65

Totals

15.7 (Avg.)

109.90

Advisor

Barbara Card

This was my first year with Junior Achievement and it has been an exhilarating experience. My own children are married, with children of their own, and being with teenagers again has been a lot of fun. I'm very proud of our company. If the enthusiasm, energy and charm they have shown as Achievers are any indication, they will be successful in whatever they decide to do. They are already terrific human beings.

Advisor

R. G. Gudvangen

It has been a marvelous experience, working with such a fine group of students. The enthusiasm shown by these achievers makes being an advisor most rewarding. I would like to thank the treasurer, Davis Taylor, for the learning process we shared together.



Executive Advisor

E. A. Wright

Fulfilling the role of Executive Advisor for the Junior Achievement company, Hot Stuff, has been very rewarding. This is my first encounter with Junior Achievement, I must say it is very different from my previous work with youth in scouting. The results of the endeavor are much more readily realized, and you can observe weekly the motivation and learning of the achievers. My role was to help in the initial organization, assist the new officers in learning their responsibilities and then turn the company's operations over to them. Although we had an initial falter in personnel assignments, the achiever leadership overcame each difficulty and matured into a very successful company.



Annual Report Committee's Report

Kim Pettus

Our annual report committee was formed in February. The goal of this committee was to prepare a layout of the annual report.

I would now like to thank all of the people who helped with the production of this report. I would especially like to thank Daniel Spencer, for the proof reading and assembling of the annual report, Colleen Kajiki for the cover layout and Ms. Elaine Maloof for all her assistance and patience.

Hot Stuff would also like to thank our sponsoring firm, Rockwell International for the printing of this annual report.

Sincerely yours,

Kimberly Pettus
Chairman and Secretary of the
Annual Report Committee



PREPARATION AND COST OF ANNUAL REPORT

Photography

Film and Developing	\$13.90
Paper and Copying	38.57
Cortex Bind	8.68
Collating	<u>17.75</u>
TOTAL COST	\$78.90



Junior Achievement Objectives

TO PROVIDE THE YOUTH OF AMERICA

Knowledge

of the values, freedoms and responsibilities of our business system

Experience

in the organization, operation and management of a business

Motivation

for leadership through the development of skills, abilities and confidence

Demonstration

of the relationships within business and between business and the community

Supplement

to the formal educational experience of youth by a constructive, learning by doing, experience

Preview

of career opportunities in business.

THESE OBJECTIVES ARE ACCOMPLISHED BY PROVIDING

Advisers

to guide J. A. companies, to interpret experiences in J. A. and to relate them to the business system

Facilities

to serve as a business laboratory where J. A. companies may carry on the processes involved in operating small business enterprises

Information

to demonstrate in a practical way the principles underlying the business system through the use of understandable and usable written materials, demonstrations, lectures, seminars and other activities

Leadership

through community participation of educators, business and civic leaders in a constructive program for youth.

all the Best Always
Jen Williamson

Marty,
you are a very
nice person. I
like your taste in
your art! Hope to
see you next year!

Love always
Pinnah Gauvin

Party,
Its been a
great J.A. year. Have a
nice year "senior". It was
nice knowing you. Collier
"77-78"

~~Westerly~~
It was a
very enjoyable
you never hope
return next.
Yours truly
Marty

marty,

thank you for
sharing this fun
adventure with me

LOVE Always
Lisa

To an excellent Achiever
Famously yours

Emilia Wright

Maestro,
It's been a most
~~interesting~~ experience
working with you
David

"Marty"

It's been for this year good luck next
year in S.A. May your life prosper and
good luck in the outside world.

Marty -

I've really enjoyed knowing you and I'm sure you will be
very happy and successful in whatever
you do in life. God bless you. *J. P. Joseph*

Marty,

I'm really glad that I met you through
J. P. Achievement, I'm glad you my
brother's friend. Have a great year to
come and Good-luck in everything
you do. *Joe Kelly*

Marty,

I'm ^{really} glad I got to know you.
Hope you have a nice year.
And I'll see you next year.

"Marty"
You did a ^{Hot} job
great job / Good luck ^{beginning}
stuff / Joyce McFarlane

Marty
I have enjoyed
your very much
this year. You
are TOPS for
me. *M.C.*